United Nations DP/2018/16

Executive Board of the United Nations Development Programme, the United Nations Population Fund and the United Nations Office for Project Services

Distr.: General
28 March 2018

Original: English

Annual session 2018
4 to 8 June 2018, New York
Item 16 of the provisional agenda
Reports of UNDP, UNFPA and UNOPS Ethics Offices

Activities of the UNDP Ethics Office in 2017

Report of the Ethics Office

Summary

Pursuant to decision 2008/37 of the Executive Board, the UNDP Ethics Office submits the present report covering its activities in 2017 for Board review. In accordance with the Secretary-General's bulletin on United Nations system-wide application of ethics, separately administered organs and programmes (ST/SGB/2007/11), the Ethics Panel of the United Nations reviewed the report at its 100th session on 13 February 2018 and the report was subsequently presented to the Administrator of UNDP.

This is the tenth annual report presented by the Ethics Office since its establishment in 2007.

Elements of a decision

The Executive Board may wish to take note of the present report and comment on progress made by the UNDP Ethics Office in strengthening the ethical culture of UNDP, including training, raising ethics awareness and protection against retaliation.

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I. Introduction

1. The present report is submitted pursuant to Executive Board decision 2008/37 and discusses the work of the UNDP Ethics Office in 2017, in accordance with its mandate to "cultivate and nurture a culture of ethics, integrity and accountability, and thereby enhance the trust in and credibility of the United Nations, both internally and externally", as stipulated in Secretary-General's bulletin ST/SGB/2007/11, section 1.1.

2. Based in New York, the Ethics Office provides ethics services to UNDP personnel globally working in over 170 countries and territories. This report summarizes the activities and achievements of the Ethics Office in each of its following mandate areas: (a) standards-setting and policy support; (b) ethics training, awareness-raising and outreach; (c) providing confidential and pragmatic advice and guidance to staff and management on ethics issues and ethics-related policies; (d) administering the financial disclosure programme; and (e) administering the protection against retaliation policy. The report further addresses the office's engagement with the Ethics Panel of the United Nations (EPUN) and the Ethics Network of Multilateral Organizations (ENMO) for the purpose of harmonizing ethics policies and practicies within the United Nations system.

3. A strong organizational culture of ethics and accountability that supports adherance to ethical practices is an essential requirement for the effective performance of UNDP programmes. The promotion of core ethical standards, and the visible adherance to those standards by all UNDP personnel, additionally serves to protect the reputation of the organization with government partners, donors, beneficiaries and other stakeholders. In furtherance of these objectives, the Ethics Office works to embed and enhance ethics in UNDP business processes and decision-making at all levels of the organization.

4. The Ethics Office functions on the principles of independence, impartiality and confidentiality. The office supports all UNDP personnel in maintaining the highest standards of integrity as required by the Charter of the United Nations, and reinforces the UNDP values of integrity, transparency, accountability, mutual respect, professionalism and results orientation through principled performance. In 2017, the office continued to develop and roll out an ambitious ethics programme designed to engage UNDP senior leadership, management and staff, and positively impact the work of the organization.

5. Indicative of the impact of the office's ethics programme, and the confidence placed in the office by UNDP personnel as a trusted resource, each of the last three reporting periods have seen significant increases in requests for Ethics Office services. While the office received 643 requests in 2015 and 836 requests in 2016, this number again increased to 995 in 2017, representing a 55 per cent increase over 2015. Figure 1 provides a breakdown of requests for services received by the office for the 2017 reporting cycle.

6. The 995 matters addressed by the Ethics Office in 2017 constituted another record high. Considering the progressive increase in requests for ethics services over the last three reporting periods, and noting that it continues to proactively develop and roll out innovative ethics outreach and awareness-raising initiatives, the Ethics Office expects this upward trend in service requests to continue.

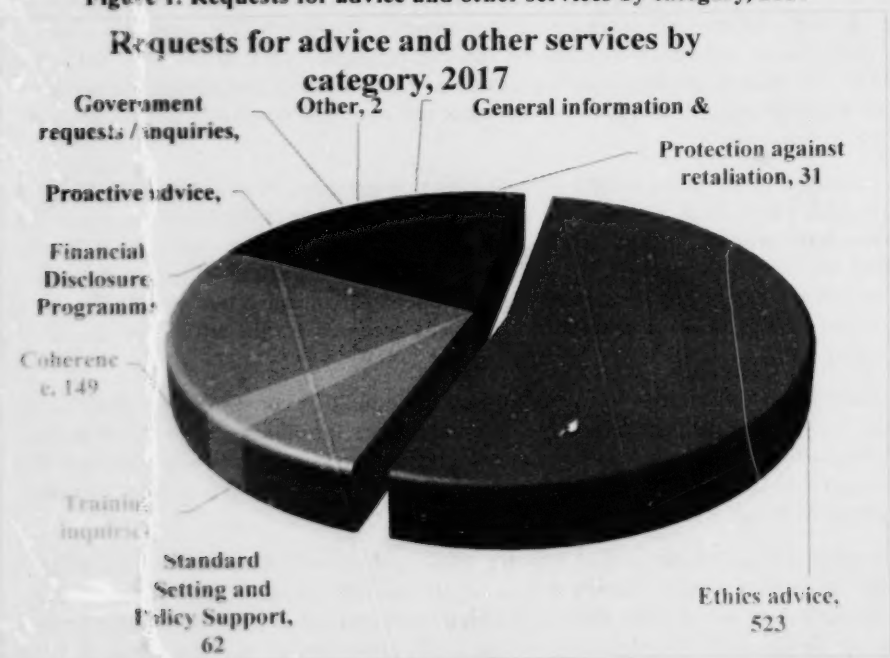
7. Staffed with a Director, Ethics Adviser, and an Administrative Assistant, the office's ability to provide quality, timely advice to all received requests, and to launch new ethics initiatives, was greatly enhanced with the onboarding of a highly capable United Nations Volunteer (UN-Volunteer) in July 2017. However, as this individual left the office in January 2018 to pursue a paid staff position with the United Nations Secretariat, the office plans to recruit a replacement UN-Volunteer in 2018. The office

considers that such additional staffing support remains vital to maintain optimal responsiveness to service requests from all UNDP locations, and to ensure that the Ethics Office has sufficient capacity to continue the development of its forward-looking, trendsetting ethics programme.

8. Other notable Ethics Office results in 2017 include: launching the first UNDP code of ethics and the first UNDP internal reference guide, Where To Go When: A Resource Guide for UNDP Personnel; reviewing 1,306 financial disclosure statements; organizing and/or delivering face-to-face ethics training for over 880 UNDP personnel, customized to the specific audience addressed; conducting reviews of multiple UNDP and other United Nations system entity policies and processes to facilitate incorporation of ethics considerations and best practices; drafting a UNDP policy on gifts; developing and distributing additional ethics outreach materials, including updated outside activity approval procedure guidance and a UNDP learning newsletter on ethics in UNDP; creating a UNDP Ethics Office public web presence; and the Director's chairing of the 2017 Ethics Network of Multilateral Organizations annual meeting. The office also continued to provide tailored ethics briefings to senior management to support ethical leadership behaviour, and to increase utilization of social media platforms to enhance ethics awareness and institutional integrity.

9. By focusing on the practical application of ethics at all levels of UNDP, the Ethics Office has positioned itself as a respected and essential voice for effective organizational programming and service delivery. In addition to proactively advising on matters of stewardship, accountability and other ethical conduct, the office is regularly consulted by UNDP management, staff and business units for guidance on, inter alia, appropriate managerial practices, internal policy development, individual decision-making and stakeholder interactions. Serving as a valued repository of expertise and advice on standards of conduct and ethical business practices, the office continues to perform an essential function for the effective operation of UNDP.

Figure 1. Requests for advice and other services by category, 2017



II. Administrative activities

10. Despite the notable increase in service requests in 2017, and its efforts to build further on its proactive outreach work, the Ethics Office continued to operate with a small core staff consisting of a Director (D1), Ethics Adviser (P5), and an Administrative Associate (G6). Having operated from 2009 to 2014 with a junior professional officer (JPO), 2017 marked the third consecutive year that the office functioned without a JPO, despite its placement requests to Member States. To temporarily fill this staffing gap, in 2017 the Ethics Office received a UN-Volunteer thanks to the concerted efforts of the UNDP Associate Administrator and the Executive Coordinator of United Nations Volunteers. As the Ethics Office does not have budgetary capacity to recruit additional personnel, the UN-Volunteer was allocated to the office from UNV on a one-year, no-cost basis as part of a pilot placement scheme for UN-Volunteers at headquarters duty stations.

11. Following a recruitment exercise administered by the Ethics Office, the UN-Volunteer began working at the office on a one-year contract in July 2017. While the office had anticipated that the selected candidate would remain in the position through June 2018, the individual departed in January 2018 to take up a fully paid staff position with the United Nations Secretariat Ethics Office. During her six months of service, the UN-Volunteer significantly contributed to the work of the office, and greatly enhanced its ability to underake additional initiatives to the benefit of the organization. Given the demonstrated value of such additional staffing, the UNDP Associate Administrator and the Executive Coordinator of UNV have arranged for the Ethics Office to receive another, no-cost UN-Volunteer replacement. While this constitutes a welcome development for the office's 2018 work programme, given the unstable and unpredictable nature of temporary placements, the office remains supportive of a more permanent solution to its persisent, long-standing staffing needs.

12. In 2017, the total budget for the Ethics Office remained static, although the pro rata portion reflecting operating expenses was slightly below that of previous years. This raises the concern that, with staffing costs and operating expenses increasing year to year, ensuring the budget remains constant effectively causes the office to operate more creatively with less funds, and thereby risks a concomittant reduction in services.

13. Challenges notwithstanding, the Ethics Office continues to provide comprehensive, results-based ethics services across UNDP. Through its expansive and innovative programmes and initiatives, the office will continue to strive to further strengthen and embed ethics into UNDP daiiy operations and business practices.

III. Mandated activities

14. In accordance with its mandate to promote and sustain a culture of ethics, transparency and accountability within UNDP, in 2017 the Ethics Office attained significant achievements within each of its core areas of responsibility.

A. Standards-setting and policy support

15. During the reporting period, the Ethics Office continued to provide substantive support in the area of UNDP policy development upon the request of management, or through its proactive engagement with relevant business units. The Ethics Office Director also participated in meetings of the Organizational Performance Group (OPG), where he provided policy input on matters under OPG review. The office reviewed a number of UNDP policies and guidelines in order to incorporate ethics considerations and other standards necessary for effective business performance. These inlcuded: the Guidelines for Social Media; the Policy on Performance Management and Development; the Policy on E-records and E-signatures; the Information Disclosure

Policy; the Contract Management Policy; the Standard Operating Procedure on Retaliation in the context of social and environmental compliance investigations; and the Occupational Safety, Health and Wellbeing Strategy and Medium-Term Implementation Plan, 2017-2018.

16. While the receipt of gifts, honours or hospitality by UNDP staff is governed by the staff regulations and rules of the United Nations, UNDP does not have a specific gifts policy addressing applicable UNDP procedures. To fill this gap, the Ethics Office developed a draft UNDP policy on gifts, honours, decoration, favours, hospitality or remuneration from governmental and non-governmental sources that provides detailed guidance to UNDP personnel on how to manage situations where a gift or other item has been offered or presented. The office further updated the UNDP gift declaration and registration form to ensure alignment with the proposed policy. Following consultations with relevant UNDP offices, the Ethics Office anticipates that the draft policy will be presented to the Organizational Performance Group for review and approval in the first half of 2018.

17. In addition to providing policy support within UNDP, throughout 2017 the Ethics Office provided ethics policy expertise to other United Nations system entities. Most notably, the office provided comments on proposed revisions to the Secretary-General's bulletin on protection against retaliation, as well as an administrative instruction on the personal use of social media. The office also engaged with the United Nations Joint Inspection Unit (JIU) on its draft review of mechanisms and policies addressing conflict of interest in the United Nations system (JIU/REP/2017/9), and on its whistle-blower policy review on system-wide policies and practices for protecting those who report misconduct (not yet issued). The office also provided feedback to the World Health Organization (WHO) on draft WHO materials on the prevention and management of conflicts of interest for national nutrition programmes.

18. As previously reported, as part of its recruitment process, UNDP utilizes a new staff conflict of interest declaration form for shortlisted candidates. The Ethics Office developed the form, which is used to identify and eliminate potential conflicts of interest before an individual begins employment with UNDP. While the form's questions have been integrated into the UNDP on-line application tool, the United Nations Secretariat and UNFPA have adopted the form for conflict of interest vetting for certain high-level posts, including all incoming assistant secretaries-general and under-secretaries-general.

19. In 2017, the UNDP Office of Financial Resources Management (OFRM) initiated the development of an anti-fraud online training module for UNDP personnel. Impressed with the Ethics Office's online course, Ethics and Integrity at UNDP, and considering the office's anti-corruption expertise, OFRM requested Ethics Office support on the development of anti-fraud training. The office subsequently reviewed and edited proposed course content, and submitted significant materials to the OFRM expert consultant retained to develop the training.

20. As reported last year, in 2016 the Workplace Harassment Working Group – led by the Bureau for Management Services with Ethics Office support – finalized new procedures to increase the transparency and effectiveness of the UNDP response to allegations of workplace harassment, sexual harassment, discrimination and abuse of authority. The working group was established pursuant to a 2014 Ethics Office management recommendation to the Executive Board.

21. Under the new procedures, the Office of the Ombudsman for United Nations Funds and Programmes centrally administers the intake of cases involving such allegations, and maintains a central database for individual case tracking. The Office of the Ombudsman determines whether informal resolution of a received case is possible, or whether the allegation rises to the level of potential misconduct to be referred to the

UNDP Office of Audit and Investigations (OAI). In 2017, the Workplace Harassment Working Group initiated quarterly monitoring and assessment meetings on the new procedures. The group considers the new system is working effectively and that received allegations are being addressed in a timely and responsive manner.

22. Pursuant to its mandate to advocate for ethics standards-setting, the Ethics Office has worked closely with the Office of Human Resources (OHR) focal point on sexual exploitation and abuse, the Legal Office and OAI, in the context of the cross-organizational Working Group on the Prevention of Sexual Exploitation and Abuse, which has been tasked to improve and harmonize policies and practices across the United Nations system. With growing recognition that a robust response to sexual exploitation and abuse is required in all United Nations operational locations, the Ethics Office participated in weekly working group meetings, and provided advice on, inter alia, the development of a United Nations protocol to address sexual exploitation and abuse allegations involving implementing partners, the finalization of a new prevention of sexual exploitation and abuse online e-course for UNDP personnel, and the creation of awareness-raising materials. Following the launch of the e-course in November 2017, the Ethics Office, OHR, OAI and the Office of the Ombudsman hosted a webinar on the differences between sexual exploitation and abuse and sexual harassment, relevant reporting procedures and obligations, and the UNDP protection against retaliation policy. The office was able to dedicate significantly more attention to this issue in 2017, having assigned to the working group its former UN-Volunteer who holds considerable expertise in the area of prevention of sexual exploitation and abuse.

23. During the reporting period, the Ethics Office was requested to provide its expertise and ethics guidance to a number of thematic UNDP and United Nations entity initiatives. Within UNDP, the office provided input on the possible establishment of an ethics board for experimental interventions, such as randomized control trials within UNDP programmes. The office also provided advice to the UNDP Private Sector Due Diligence Inter-Bureau Committee on the issue of risk assessments for high net-worth individuals seeking to contribute to the organization. Furthermore, the office engaged with an inter-agency privacy policy group organized by the United Nations Global Pulse to develop a set of principles to be used by member organizations for the ethical use of "big data". Because the Ethics Office and two other United Nations organizations have raised significant concerns with the proposed data principles, on the grounds that they do not sufficiently address data ethics and data subject rights, consulations on this matter will continue into 2018. Finally, the office completed the Organisation for Economic Co-operation and Development's questionnaire on ethics frameworks, and contributed to the UNDP response to the United Kingdom National Audit Office investigation into the Department for International Development's approach to tackling fraud, and the UNDP draft sustainability report.

24. In accordance with decision 2010/17 of the Executive Board, the Ethics Office continued to vet recommended candidates for key UNDP oversight positions for potential conflicts of interest.

B. Training, outreach and awareness-raising

25. Training and awareness-raising constitute key elements of the work of the Ethics Office. While the ethics training the office provides raises awareness of required standards of conduct for all UNDP personnel, it is also tailored to emphasize the pragmatic, 'business value' of ethics by demonstrating that ethical decision-making is essential to the effective operation of the organization. Given that UNDP operates in high-risk environments around the world and is composed of a diverse, multicultural workforce, UNDP personnel's adherance to a unified set of ethical standards, expectations and practices protects both the integrity of UNDP programme delivery and the organization's reputation. By ensuring their daily work and decision-making is

guided by the principles of the United Nations Charter and applicable standards of conduct, UNDP personnel strengthen institutional integrity and accountability.

26. The visible adherence of managers and senior leaders to ethical values and behaviour also constitutes an essential element of UNDP ethical culture. Separate ethical leadership training by the Ethics Office reinforces 'tone at the top' and 'mood in the middle' (mid-level managers who handle day-to-day operations), reminding those with managerial responsibilities they must exhibit role-model behaviour.

Online course and related modules

27. In 2016, the Administrator made the Ethics Office online ethics course, Ethics and Integrity at UNDP, mandatory for all UNDP staff members, which in 2017 became mandatory for all UNDP service contract holders. Available in English, French and Spanish, the course uses relevant, scenario-based instruction to promote ethical decision-making and a common awareness of relevant UNDP policies, procedures and standards of conduct. As of 31 December 2017, 8,753 UNDP personnel have completed the course.

28. Considering the importance of course completion by all UNDP personnel, in September and December 2017 the Director of the Ethics Office sent reminders to all outstanding course takers to finish the course by the end of the year. As compliance remains an issue for all mandatory UNDP courses, the office has engaged with the Learning Management Team, Office of Human Resources, to devise approaches to facilitate full course completion, including the potential use of learning focal points at field duty stations. In 2018, it will roll out additional measures to drive full course completion.

29. The Ethics Office also offers three voluntary online ethics mini-courses on protection against retaliation, the financial disclosure programme, and avoiding conflicts of interest. All three mini-courses were introduced in 2015, and are available in English, French and Spanish. While there were, collectively, 496 course completions by the end of 2016, that number increased significantly to 1,132 course completions by 31 December 2017. The office will continue to promote these additional courses in its outreach and awareness-raising work.

Face-to-face workshop and webinars

30. Througout 2017, the Ethics Office remained committed to reaching personnel across UNDP. Engagement in outreach and in-person training is a crucial means to broaden awareness of the office's services, enhance staff understanding of ethics requirements, and identify and address ethics-related concerns, including whistleblower protection. Such interaction at all levels of the organization is essential for preventing, mitigating and managing ethical and reputational risk.

31. During the reporting period, the Ethics Office arranged in-person ethics workshops and ethical leadership sessions for country offices in Brazil, Guyana, Kenya, Mozambique, South Africa and Swaziland. In light of its limited resources, and to avoid costly travel where feasible, the office conducted several of these trainings on a cost-effective basis, using its external training provider when the trainer had resources located geographically closer to the targeted offices. The office nonetheless joined all externally- facilitated trainings via live, web-based applications to answer participant questions. Additionally, at the March 2017 regional cluster meeting held by the Regional Bureau for Asia and the Pacific (RBAP), the office held two workshops for incoming junior professional officers, an ethics briefing for new Executive Board members, an ethics briefing for new resident representatives, a presentation to the United Nations Global Pulse Privacy Group on data privacy, and separate ethics briefings on the new UNDP Code of Ethics to the Office of Audit and Investigations

and the Independent Evaluation Office at headquarters. Finally, the office also contributed to the UNDP course curriculum for new country directors.

32. To ensure its ethics training remains dynamic, relevant and practical, in 2017 the Ethics Office continued to customize its ethics workshop and ethics leadership training materials to the needs of each country office or audience. The office specifically incorporated issues that had arisen at the training location, and ensured that its tailored training deck included the results of ethics questions from the 2016 global staff survey (results released 2017) for the location. Focus on pragmatic application of ethics to local realities and specific country office concerns has led to increased staff and leadership engagement on ethics issues. This is demonstrated by the increased number of ethics advice requests received from both staff and senior leadership at locations where trainings have been conducted.

33. In addition to specific ethics training, the Ethics Office also joined the Office of the Ombudsman, the Legal Office, Office of Human Resources, and the United Nations Secretariat's Office of Adminstration of Justice for a group webinar on understanding the formal and informal mechanisms to resolve workplace disputes and grievances in UNDP. Such collaboration is indicative of the excellent cooperation among UNDP offices.

34. In total, more than 880 staff members and other personnel participated in face-to-face ethics workshops, group briefings, panel discussions and live/web-based training sessions in 2017. This number is less than in previous years because the majority of regional cluster meetings were not held in 2017, owing to the change in UNDP executive leadership. As all regional cluster meetings are expected to resume in 2018, the Ethics Office has been assured it has a standing invitation to attend and present at each.

Senior management briefings

35. Senior leadership and heads of business units regularly approached the Ethics Office in 2017 for pragmatic ethics advice and guidance, underscoring its standing as an integral business partner. Given the importance of leadership in ethical role-modelling and in providing strategic direction for the organization, the office proactively engaged leadership on ethical decision-making and ethical business management. In addition to the Director of the Ethics Office providing individual ethics briefings to the new UNDP Administrator, his Chief of Staff and other incoming members of the Executive Office, the office regularly participated in briefings for new Executive Board members, new resident coordinators/resident representatives, and new country office directors and their deputies. The office also continued to provide personal ethics inductions and briefings to newly appointed senior leaders at the director-level and above stationed at headquarters, and met with other senior officials as they visited headquarters or while in the field.

36. While it emphasizes that senior leadership must serve as examples of ethical conduct and integrity by reinforcing the standards expected of all UNDP personnel, the Ethics Office continued to focus on the leadership responsibilities of middle management. In overseeing the day-to-day operations of the organization and through its engaging with personnel at the gound level, those in middle management are particularly well placed to have the greatest positive impact on the UNDP global workforce.

Awareness-raising and communication activities

37. An essential component of the training, outreach, and awareness-raising mandate of the Ethics Office is the production and distribution of ethics information and guidance materials. To strengthen global staff awarenes of their ethical obligations, and recognizing its own capacity limitations, the office has prioritized the development of accessible staff resource materials and leveraged web-based communication tools.

38. In 2017, the Ethics Office continued its proactive awareness campaign to promote and foster an ethical culture within UNDP. In addition to the use of global staff broadcasts and email to deliver ethics information and promote ethics education, the office actively utilizes social media for ethics messaging. During the reporting period, the office expanded its Twitter and Yammer (an internal UNDP social network) presence to circulate ethics articles, surveys, and opinion pieces for the purpose of promoting ethics as a constituent element of UNDP business practices, operations, and daily work. The office additionally expanded use of the 'Ethics' discussion group in Yammer, where it responded directly to individual ethics inquiries, and conducted open discussions on ethics matters raised by personnel. Since the launch of the office's Twitter and Yammer presence, the Director of the Ethics Office has issued 313 tweets and 312 Yammer posts.

39. As indicated, in 2017 the Ethics Office continued to issue emails and bulletins to UNDP leadership and personnel on ethics matters. Periodic emails to UNDP management stress the pragramatic business value of ethics, and provide real-life ethical examples directly translatable to UNDP experience and situations. Regarding all-personnel bulletins, in October 2017 the office issued the updated informational bulletin, Guidance for Obtaining Approval to Engage in Outside Activities. The bulletin was issued in English, French and Spanish, and included a revised outside activity request form, as well as detailed facts and questions addressing case scenarios. Demonstrating the importance of sustained Ethics Office outreach on ethics requirements and procedures, the release of the bulletin resulted in a significant increase in outside activity inquiries and requests submitted to the office for conflict of interest vetting from across UNDP locations.

40. Following approval and commendation from the Organizational Performance Group, in April 2017 the Administrator officially releasedthe very first UNDP Code of Ethics. Noting that UNDP did not previously possess a document that references all policies and procedures impacting UNDP ethical culture, the Code of Ethics presents relevant ethical standards and expectations for all UNDP personnel. The code, which is available in English, French and Spanish, represents a critical step in consolidating the UNDP ethics programme as a leader within the United Nations system. Considered an essential element of an effective ethics programme in the private and governmental sectors, UNDP is presently the only United Nations organization to have adopted such a comprehensive code. The Code of Ethics has been extremely well received within UNDP, and among other United Nations funds, programmes and specialzed agencies.

41. In November 2017, the Ethics Office released its new publication, Where to Go When: A Resource Guide for UNDP Personnel. Based on a similar publication by the United Nations Secretariat Ethics Office, Where to Go When is the first comprehensive UNDP reference guide outlining the various support offices and services available to UNDP personnel. For each identified resource, including the Ethics Office, the Office of the Ombudsman and the Office of Audit and Investigations, the guide provides information on mandates and relevant policy documents. The consolidation of resource information into a single publication is intended to enhance organizational efficiency and accountability. Available in English, French and Spanish, and developed as a companion piece to the Code of Ethics, both documents are now being used as core elements of Ethics Office trainings, briefings and other outreach work.

42. As previously reported, the Code of Ethics and Where to Go When break from the traditional use of expensive printed documents that can quickly become outdated. Developed as online, interactive resources that are visually appealing and highly user-friendly, both publications support the UNDP commitment to sustainability and reflect best practice in the ethics field in the private sector.

43. Other issuances from the Ethics Office in 2017 included an annual bulletin on appropriate behaviour and expectations during end-of-year holidays, including reminders on gift policies and social gatherings; and a bulletin to all management on fostering appropriate behaviour within and outside the workplace at this time of perceived erosion of civility.

44. In 2017, the Ethics Office assisted the UNDP country office in Mexico in incorporating ethics content into its new welcome booklet for incoming personnel. The office also joined a headquarters team composed of the Office of Human Resources, the Office of the Ombudsman and relevant regional bureaux to a country office that had been experiencing long-standing interpersonal and workplace conflict issues. Noting that significant workplace conflict has the potential to negatively impact operations and the organization's reputation, the mission succeeded in diffusing tensions and demonstrated the utility of adopting a collaborative and integrated approach to such matters.

45. As part of its robust communications initiatives, the Ethics Office further collaborated with the Office of Human Resources Talent Development Unit on the development of an ethics edition of the OHR Learning@UNDP Newsletter series. Broadcast to all UNDP personnel in December 2017, the newsletter focused entirely on ethics in UNDP, and included a video from the Director of the Ethics Office, along with links to multiple office resources, such as the Code of Ethics, Where to Go When, online ethics training courses, ethics informational brochures and UNDP policies on protection against retaliation and the financial disclosure programme. The production of the newsletter serves as another example of the office's excellent collaboration with other UNDP business units, and demonstrates organizational recognition of the importance of ethics for UNDP operations.

46. In addition to regularly updating ethics information on its intranet site to ensure that UNDP staff and managers have full access to current ethics materials and guidance documents, the Ethics Office established a public web presence through the creation of an ethics page on the UNDP public-facing website. Providing links to the Code of Ethics and other UNDP ethics policies and informational materials, the new public site will further contribute to the reputation of UNDP as one of the United Nations system's most transparent organizations. While the office's intranet site had 9,436 page views by UNDP personnel in 2017, the public site received 1,211 views.

Other awareness-raising activities and briefings

47. In 2017, the Ethics Office continued to provide briefings on the ethics programme and support to external entities. The office conducted separate, in-person information sessions for ethics function representatives from the International Labour Organization and the Organisation for Economic Co-operation and Development. Following a request from the International Atomic Energy Agency (IAEA), the office hosted a IAEA staff member for two weeks in June 2017. The individual was provided the opportunity to observe and learn from the office's operations in order to apply those best practices at the IAEA. The office also arranged for the individual to visit the ethics offices of other New York-based United Nations organizations during their learning visit.

C. Confidential advice and guidance

48. UNDP ethical culture drives how individuals behave, how decisions are made, and how the organization is perceived by its personnel, suppliers, donors, Member States and the public that it serves. From the perspective of its business operations and public reputation, it is critical that UNDP demonstrate a positive, ethical culture committed to fairness, accountability and transparency, and holds itself and its personnel to the highest standards of integrity.

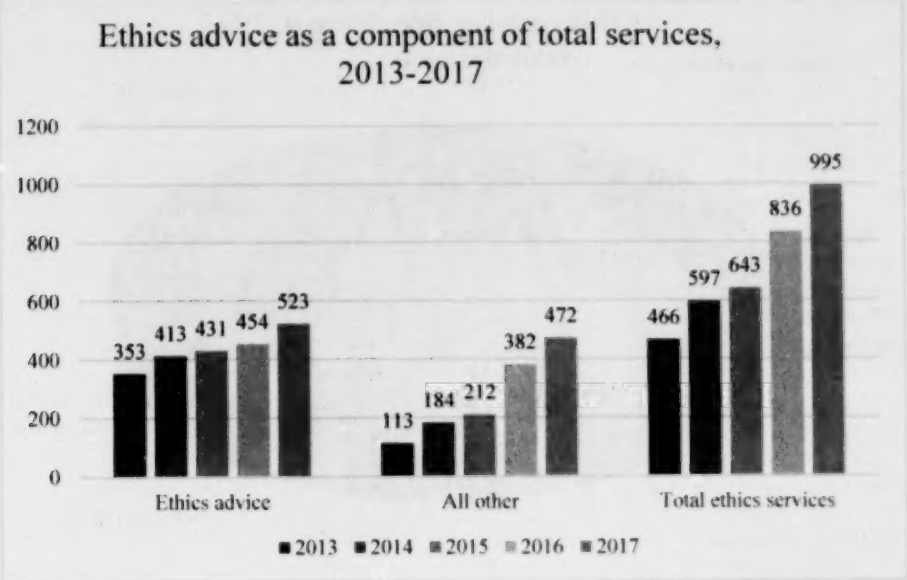
49. The provision of confidential ethics advice is a critical function of the Ethics Office. In providing impartial and pragmatic guidance to staff and management on the appropriateness of contemplated actions, and by clarifying institutional expectations pursuant to applicable rules and regulations, the office enables personnel to make better decisions that advance the values, principles and interests of UNDP. The provision of ethics advice prepares personnel to better identify and manage potential risks and conflicts of interest, and resolve ethical dilemmas before they become problems, thereby avoiding operational and reputational damage. Access to the confidential services of the Ethics Office provides UNDP personnel with a safe haven where they can raise concerns and where they can alert the office to situations that may require remedial action to mitigate harm to the individual or the organization. In assisting personnel to navigate complex workplace issues and take appropriate course of action, the office's advisory function serves to protect the integrity and credibility of UNDP operations and, by extension, its public reputation.

50. While the number of ethics service matters the Ethics Office deals with has increased every year since 2013 (see figure 2), each of the last two reporting cycles has set significant records. In 2017, the Ethics Office fielded 995 requests for services, of which 523 were for ethics advice. This represents the highest number of matters the office has ever dealt with in its history. By way of comparison, the office received 836 requests for services, with 454 ethics advice requests, in 2016; and 643 requests for services, with 431 ethics advice requests, in 2015. The 2017 numbers constitute a 55 per cent increase in overall ethics service matters, and a 21 per cent increase in received advice requests, in the last two years.

51. As stated, the Ethics Office's recruitment of a highly capable UN-Volunteer in July 2017 greatly enhanced its ability to respond effectively to the record number of received advice requests as it continued to proactively develop and roll out new ethics initiatives.

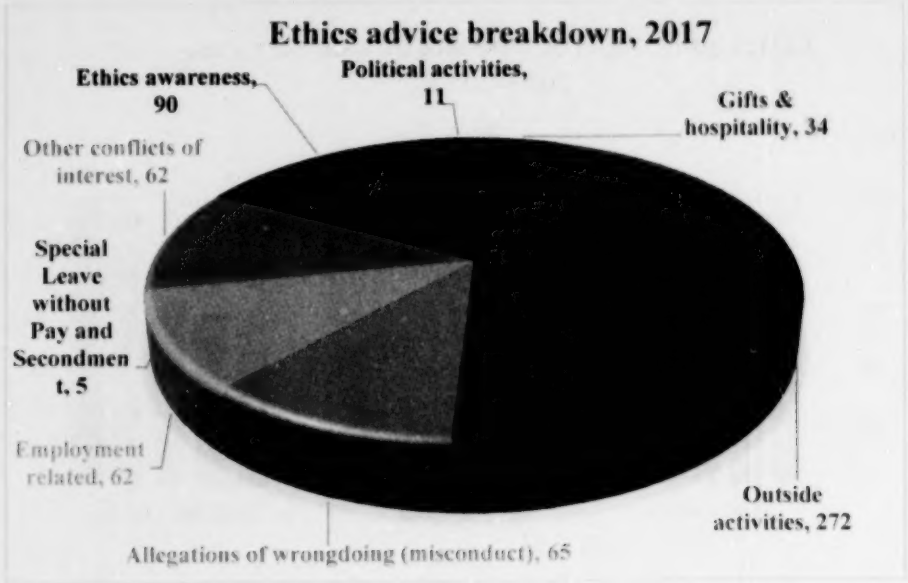
52. The sizeable yearly increases in requests to the Ethics Office are reflective of the success of its expansive training, outreach and awareness-raising activities, and the trust and confidence that staff and management have in its ability to provide timely, confidential advice that has real-world applicability for the concrete ethics issues that they face in their daily work. Given the office's reputation as a respected advocate of UNDP values and principles and as dispenser of effective, impartial and pragmatic advice, management and personnel regularly seek its counsel before taking actions. It is anticipated that service demands will continue to grow as a consequence of the office's proactive work programme; the office remains committed to its role as a responsive and essential resource within UNDP. To this end, the office will continue to cultivate and nurture relations with staff and management, and provide valued business and ethics expertise to further advance the interests and objectives of the organization.

Figure 2. Ethics advice as a component of total services, 2013-2017



53. During the reporting period, 53 per cent of all requests for Ethics Office services concerned ethics advice and guidance. As shown in figure 3 below, the office provides ethics advice on a broad range of matters, including: involvement in political activities; acceptance of gifts, awards and hospitality from government and non-government sources; actual or potential conflicts of interest; misconduct reporting procedures; employment-related concerns; and outside activity requests. As stated, in providing advice and guidance on relevant standards of conduct and by clarifying personnel obligations under applicable rules and regulations, the office enables staff and management alike to make better decisions that are in the best interests of the organization. In providing this function, the office supports and protects the integrity and credibility of UNDP.

Figure 3. Ethics advice breakdown, 2017


Ethics advice breakdown, 2017
Ethics awareness, 90
Political activities, 11
Gifts & hospitality, 34
Other conflicts of interest, 62
Special Leave without Pay and Secondment, 5
Employment related, 62
Outside activities, 272
Allegations of wrongdoing (misconduct), 65

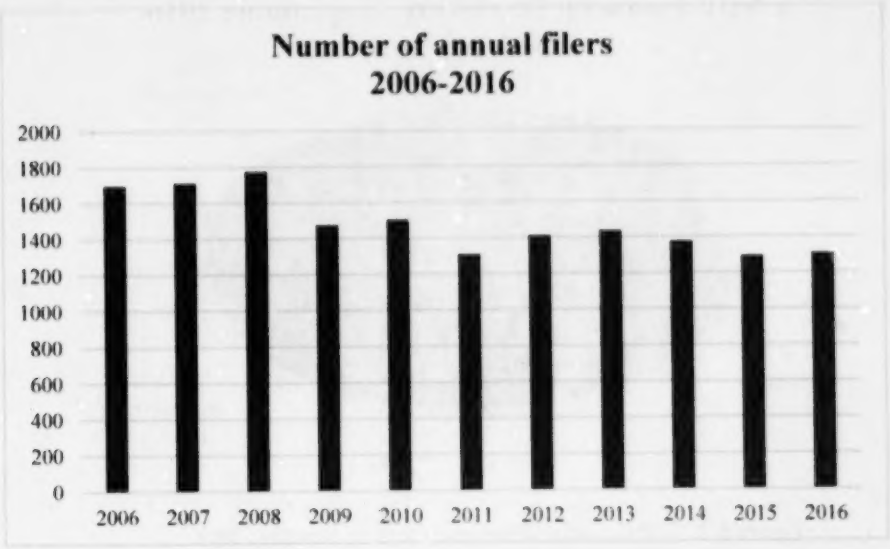
D. Financial disclosure programme for the 2016 transaction year (filed in 2017)

54. The Ethics Office administers the UNDP annual financial disclosure programme, reviews disclosed information, verifies information provided, and provides advice and guidance to manage and mitigate any disclosed or detected conflicts of interest.

55. The financial disclosure programme is designed for the identification, management and elimination of actual and potential conflicts of interest between a staff member's or service contractor's private holdings and/or interests, and their official duties and obligations. It is of primary importance that UNDP personnel act impartially in carrying out their duties, and are not improperly motivated by their personal interests. The purpose of the programme is accordingly to: (a) ensure that the independence and impartiality of UNDP personnel are preserved in official decision-making; and (b) promote transparency and public trust in UNDP. Staff regulations require that all staff at the D1 level and above, plus other designated personnel, file an annual financial disclosure statement concerning themselves, their spouse and their dependent children. Filers may also be required to participate in a verification exercise to authenticate the accuracy and completeness of their submitted information.

56. In 2017, the Ethics Office rolled out its eleventh annual financial disclosure exercise, covering the 2016 transaction year. Launched in March 2017, 1,306 filers participated in the programme. As indicated in figure 4, the number of filers has remained relatively consistent over the history of the programme. While a number of United Nations system ethics offices outsource the review of filer submissions to external vendors, the office maintained its practice of internal review pursuant to which it directly reviewed all 1,306 financial disclosure statements. As with prior filing exercises, the programme achieved a 100 per cent compliance rate for the 2016 transaction year.

Figure 4. Number of financial disclosure policy annual filers from 2006 to 2016



57. Following the inclusion of service contract holders in the programme in 2015, 86 service contract holders who met filing criteria participated in the 2016 filing exercise. Service contract holders only account for 7 per cent of the total filer population, and they typically do not hold positions with filing obligations (such as procurement); the inclusion of their category has ensured comprehensive programme coverage for all UNDP personnel.

58. The Ethics Office again conducted real-time reviews of finanical disclosure statements upon their submission. As previously reported, the practice of conducting reviews at the time of filing: (a) significantly enhances timely and efficient communications with filers; (b) enables the office's staff to promptly request additional information or clarifications; and (c) facilitates the provision of immediate guidance to filers on required actions to mitigate potential conflicts of interest.

59. Figures 5 and 6 below display the percentage of financial disclosure programme filers by rank and function for the most recent filing exercise. As in the past, middle management and those with procurement functions constitute the largest percentage of filers.

Figure 5. UNDP financial disclosure policy filers by rank, 2016

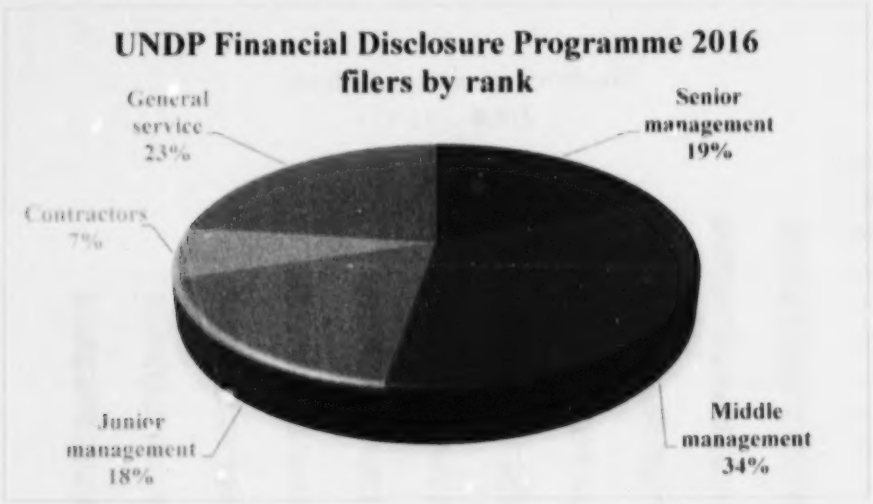
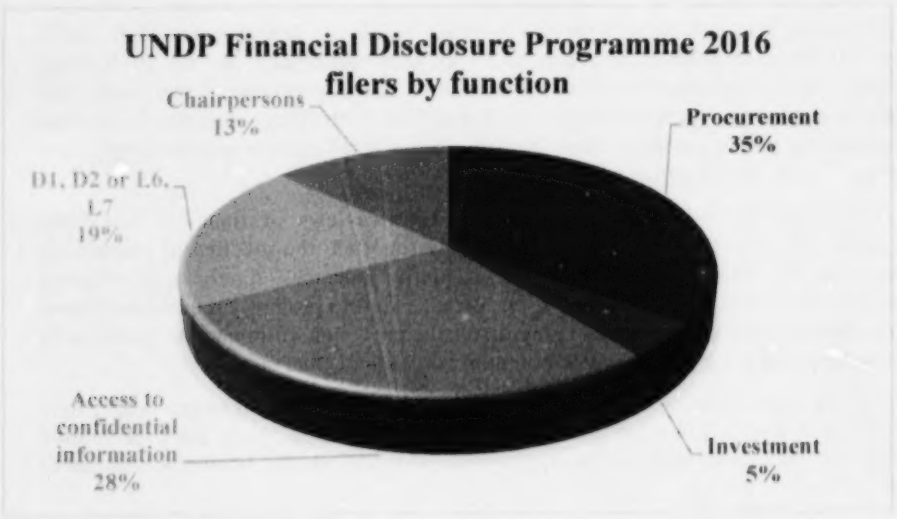


Figure 6. UNDP financial disclosure filers by function, 2016



Review of data and provision of conflict of interest advice

60. The Ethics Office's review of financial disclosure programme statements involves the following three step approach: (a) individual statements are vetted to ensure completeness of submitted information – the office conducts robust follow-up with all filers who submit incomplete or unclear information; (b) declared financial holdings are compared against a restricted list of UNDP vendors and investment funds; and (c) declared outside interests and activities are examined against applicable prohibitions or restrictions contained in United Nations staff regulations and rules. Taking into consideration the official functions and duty station of the relevant filer, all reviews are conducted for the purpose of identifying actual and potential conflicts of interest and, where conflicts are detected, providing remedial or proactive advice.

61. In 2017, the Ethics Office provided advice to four filers in cases where apparent conflict of interests were detected. Appropriate corrective action was taken by all four filers to remedy the identified conflicts. In 70 cases, proactive advice and guidance were provided to manage or mitigate a potential conflict of interest so that an actual conflict of interest could be avoided. As with prior years, a significant proportion of these cases involved UNDP personnel with family members working at government agencies, non-government organizations, or with potential UNDP vendors/suppliers at the same geographic location.

62. To ensure that the financial disclosure programme is optimally robust and effective in fulfilling its purpose, in 2017 the Ethics Office initiated a review of the information that filers must submit. Noting that the programme currently requires the disclosure of all financial assets and holdings with a value of $10,000 and above, the office has developed additional disclosure questions focused on holdings and relationships that directly relate to UNDP or UNDP interests. These questions will be incorporated into the 2018 financial disclosure exercise, and will be reassessed upon the conclusion of the 2018 filing cycle for permanent inclusion.

Verification of financial disclosure programme statements

63. The verification of filer information for accuracy and completeness is an integral part of the financial disclosure programme. During the 2017 filing cycle, 30 filers were selected for verification by the Ethics Office through a stratified random sample representative of the total population's location, grade and gender. Aided by the office's robust follow-up and advisory assistance, all verification participants completed submission of required third party documentation, thereby continuing the positive trend of full compliance.

Secretary-General's voluntary public disclosure initiative

64. The United Nations Ethics Office administers the Secretary-General's voluntary public disclosure initiative for senior officials at the assistant secretary-general level and above. In 2017, the UNDP Administrator, Associate Administrator and other ranking members of UNDP senior management team took part in the exercise.

E. Protection of staff against retaliation for reporting misconduct and/or cooperating with duly authorized audits or investigations

65. Pursuant to the Secretary-General's bulletin ST/SGB/2007/11, United Nations System-wide Application of Ethics: Separately Administered Organs and Programmes, the Ethics Office administers the UNDP Policy for Protection Against Retaliation. The policy is both a whistleblower protection programme and a risk management mechanism that encourages UNDP personnel to report misconduct and/or cooperate with authorized audits and investigations, without fear of reprisal. In promoting and providing protection for such reporting, the policy enhances the ability of UNDP to investigate and remedy conduct that, if left unaddressed, could cause significant damage to UNDP operations and reputation.

66. In accordance with the policy, the Ethics Office receives complaints of retaliation and conducts preliminary assessments to determine whether a complainant has engaged in a protected activity and, if so, whether the protected activity was a contributing factor in causing the alleged retaliation. If the office determines that a prima facie case of retaliation has been established, the matter is referred to the Office of Audit and Investigations for investigation. The office makes a final retaliation determination subsequent to its receipt and independent review of the OAI investigation report and exhibit.

67. In 2017, the Ethics Office received 31 inquiries regarding protection against retaliation, of which 28 involved requests for policy information and advice, including questions on policy procedures. The remaining three requests were formal complaints of retaliation, where the complainants alleged they had been subjected to harmful retaliatory action as a consequence of engaging in a protected activity. In comparison, the office received five formal complaints in 2015, and two complaints in 2016.

68. The 28 requests for policy information and advice received in 2017 mark an increase over the 17 protection-against-retaliation-advice inquiries received in 2016. While partly attributable to Ethics Office awareness-raising activities and the increased attention to the topic of whistleblowing throughout the United Nations system, the increase in advice inquiries additionally reflects the fact that the Ethics Office is increasingly viewed by other ENMO ethics offices as a leading authority on protection-against-retaliation matters; about a third of the advice inquiries received in 2017 came from other ethics offices seeking guidance on specific protection-against-retaliation policy requirements and case review procedures.

69. In addition to providing general advice on policy content and applicability to UNDP personnel, the Ethics Office advised individuals, who raised workplace concerns not covered by the policy, of other available and appropriate support offices, including the Office of the Ombudsman, the Office of Human Resources and the Office of Staff Legal Assistance. The office further maintained an 'open door policy' to those individuals in the event they wished to provide case updates or seek additional guidance.

70. Concerning the three retaliation complaints received in 2017, the complainants in two of the cases ultimately sought and obtained, to their satisfaction, timely and effective resolution through the Office of the Ombudsman. Noting that UNDP encourages the informal resolution of conflicts, the policy for protection against retaliation provides complainants the option of pursing informal resolution through the Office of the Ombudsman as an alternative to a formal complaint and investigation process. The successful resolution of these two cases, avoiding lengthy and costly formal procedures, constitutes another positive outcome of the strong and collaborative working relationship between the Ethics Office and the Office of the Ombudsman.

71. Regarding the remaining retaliation complaint, after conducting a comprehensive preliminary assessment involving, inter alia, the review of voluminous case documentation submitted by the complainant, the Ethics Office determined that a prima facie case of retaliation had not been established. The complainant was accordingly advised of appropriate, alternate internal recourse mechanisms to address their concerns.

72. As noted earlier, in 2017 the Joint Inspection Unit (JIU) initiated a whistleblower policy review focused on system-wide policies and practices for: (a) reporting misconduct; and (b) protecting those who report from retaliation. During the reporting period, the Ethics Office completed expansive JIU questionnaires regarding its protection-against-retaliation function, and talked at length with JIU Inspectors on multiple occasions. As Chairman of the Ethics Network of Multilateral Organizations, the Director of the Ethics Office invited the JIU to attend the annual ENMO conference in July 2017, where the JIU presented a high-level review of their project and conducted a focus group with all ENMO attendees. Upon release of the JIU report in 2018, the office will review, from the perspective of UNDP, all JIU recommendations for strengthening protection-against-retaliation policies and practices across the United Nations system.

73. In both the public and private sectors, whistleblowing strengthens institutional accountability and bolsters the fight against fraud, corruption and gross mismanagement of resources. In pursuit of protecting the integrity and credibility of the organization, the Ethics Office continues to emphasize, in its interactions with UNDP business units and managers, the importance of fostering a speak-up culture and a workplace environment free of retaliation. The provision of information on the UNDP protection-against-retaliation policy remains a critical component of the office's training and awareness-raising activities.

IV. The Ethics Panel of the United Nations and the Ethics Network of Multilateral Organizations

74. The Ethics Office continued its active participation in the monthly meetings of the Ethics Panel of the United Nations (EPUN), which comprises the heads of ethics offices in the United Nations funds, programmes and specialized agencies, and is chaired by the Director of the United Nations Secretariat Ethics Office. Having significantly enhanced the ethics function in UNDP by introducing proactive ethics initiatives that, inter alia, draw upon private sector best practices, the Director of the Ethics Office has also brought that experience to EPUN and been a substantive contributor to EPUN discussions. As in prior years, the Director remains a candid advocate within EPUN for innovative and pragmatic ethics programmes that have effective, discernible impact on organizational culture and operations.

75. As reported, the Director arranged and chaired the annual meeting of the Ethics Network of Multilateral Organizations held in Rome, Italy, in July 2017. The Director was instrumental in providing direction and leadership to the group, which is composed of ethics officers from United Nations system entities, affiliated international organizations and international financial institutions. As Chair, the Director oversaw the adoption of fundamental reforms to ENMO working methods, as well as new membership criteria. As an indication of the success of the meeting and the Director's role, the Ethics Office has subsequently experienced an increased number of advice and guidance requests on myriad ethics matters from ENMO members, in part as reflected in the increase in advice inquiries in whistleblower protection matters.

V. Recommendations to management to strengthen the UNDP culture of integrity and compliance

76. In its decision 2011/24, the Executive Board called on the Ethics Office to issue recommendations to management on how to strengthen the culture of ethics, integrity and accountability in UNDP. Noting that all prior Ethics Office management recommendations have been successfully implemented, and that the organization's leadership continues to fully support the incorporation of ethics into UNDP business decisions and operations, the office has not issued any management recommendations for the 2017 reporting period.

VI. Conclusion

77. In vigorously pursuing its mandate to promote and consolidate a culture of ethics, integrity and accountability in UNDP, the Ethics Office continues to assess and strengthen its work in its core mandate areas. Since 2012, the office has remained committed to advancing a proactive and innovative ethics programme that incorporates best practices from the private and public sectors, and has real-world impact. The success of this pragmatic approach is evidenced in the fact that the office received a

record number of service requests in 2017, for the fifth consecutive year. Through it robust outreach and awareness-raising activities, the office has signficantly raised the profile of the ethics function within the organization. Not only is the office viewed by staff and management as a trusted source of quality ethics services, but the office is increasingly consulted as a senior authority on ethics matters by other system ethics offices.

78. Through its broadbased activities, the Ethics Office constitutes an essential and independent advocate of ethical values and principled business performance. The office remains fully committed to further embedding ethics into the daily operations and business practices of the organization, and will continue to proactively promote an organizational environment committed to ethical conduct and institutional integrity.